

CISHRP Presentation

The Workforce Skills Assessment
Survey and Occupational Wage
Survey, 2003

Occupational Wage Survey 2003

The Department of Employment
Relations

Goals

- To improve the quality of labour market information in the Cayman Islands
- To measure wages, salaries and benefits by occupation across different sectors at a specific point in time

Methodology

- cross-sectional research method
- covers all major industries
- does not cover employment in the public or informal sectors
- 256 questionnaires and received back 232 yielding a response rate of 90.62%
- The 232 establishments that responded had 5266 employees of which 2052 were covered in the survey

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- Occupational wage of Part-time Employees classified by CISCO

Data Categories

- Sex
- Type of employment contract (full-time or part-time)
- Type of workers (salaried or wages)
- Immigration status (Caymanian or work permit holder)
- Industry
- Occupation
- Level of education
- Basic wage rates
- Hours of work, and
- Total compensation.

Descriptive Analysis

- Total number of employees covered in the survey 2052
- 45.5% females
- 54.5% males
- 95% full-time
- 5% part-time

Descriptive Analysis

- Avg. normal hours of work 41.34 (std. dev. 7.18 hrs.)
- On average salaried employees work 15.08 hrs of overtime per month, while wage earners work an avg. of 10.48 hrs per week
- 55% of sampled employees were work permit holders, and 45% were Caymanian

Highest Education Level

Education Level	Frequency	Valid Percent	Cumulative Percent
Less Than HS	180	9.17	9.17
High School	587	29.92	39.09
Some Tech Training	281	14.32	53.41
TVET Certification	236	12.03	65.44
Some College	208	10.60	76.04
Associates deg	84	4.28	80.33
Bachelor	200	10.19	90.52
Graduate	23	1.17	91.69
Prof. Cert	163	8.31	100.00
TOTAL	1962	100.00	

Some Key Observations

- Equal work does not always result in equal pay
- Some disparity in pay based on gender

Regression Analysis

- When all other variables such as age, experience, and occupation are held constant, the most significant factor that determines the level of salary a person earns is the level of education.
- In other words, the analysis confirmed what we in this room already know; **the higher the level of education, the higher the likelihood of receiving higher pay.**

The way forward

- Computerised labour market information system (CLMIS)
- Enable the Cayman Islands to generate more reliable, timely and internationally comparable labour market information

Benefits to Training Providers

- Estimate the current and future demand for trained workers in different occupations;
- Evaluate the capacity of the present systems in relation to the number of workers needed at various levels of skill, taking into account the students studying abroad;
- Modify the content of training courses in accordance with the changing job-performance requirements revealed by the labour market; and
- Follow-up trainees and analyse their job finding experience in relation to the training received.

Benefits to Job Seekers

- Make decisions to enter or train for specific occupations or to change one's employer or occupation; and
- Make decisions to continue further education or to seek employment

Benefit to Employers

- Up-to-date information on the local availability of skills, benefits
- Benchmarking of salaries and wages
- Provides information on trends
- Improves the ability for strategic HR planning

Why is Training Important?

- To the individual
- To the organisation/employers
- To the government/country
- Education makes you trainable, and training makes you employable

To the Individual

- Employability
- Enhanced prospects for promotion and better pay
- Personal satisfaction
- Professional or technical pride

To Organisation/Employer

- Efficiency
- Standards/quality
- Competitiveness
- Effective use of resources
- Flexibility
- Commitment of workforce

To Government/Country

- Competitiveness
- Reduced cost of unemployment
- Social inclusion

Workforce Competitiveness

- Opportunity to develop a competitive advantage based on high skills and high productivity
- Shift to the new paradigm of competitive advantage
 - Away from the concept of HRM
 - human capital development
 - train and certify to international standards

Changing Economic Context

- The paradigm of Comparative Economic Advantage no longer holds true where economic activities are best suited to cheap low skill labour
- Low skill labour = low wages
- Investors move from country to country and benefits do not accrue to the local workforce

In This New Paradigm

- It is essential that our workers are informed about the new requirements of the workplace and the need to perform to international and global standards
- Employers should have the freedom to choose the best employee available, therefore, the challenge is to ensure that Caymanians are the best employees available

Workforce Skills Assessment Survey

2003

The Objectives of the Survey

- To identify the skills needed in various business sectors,
- To identify key skills shortages so as to determine training priorities and,
- To collect data on the number of expatriates employed and the skills they possess.

Research Methodology

- Research Method
 - This survey utilised the cross-sectional research method to identify the skill level of workforce in the Cayman Islands.
- Population and Sample
 - The population for the survey is all businesses on the Cayman Islands. The total original sample is 3, 050* businesses but some have no physical presence on the islands and have been excluded from the population bringing the final population to 2, 777 businesses.

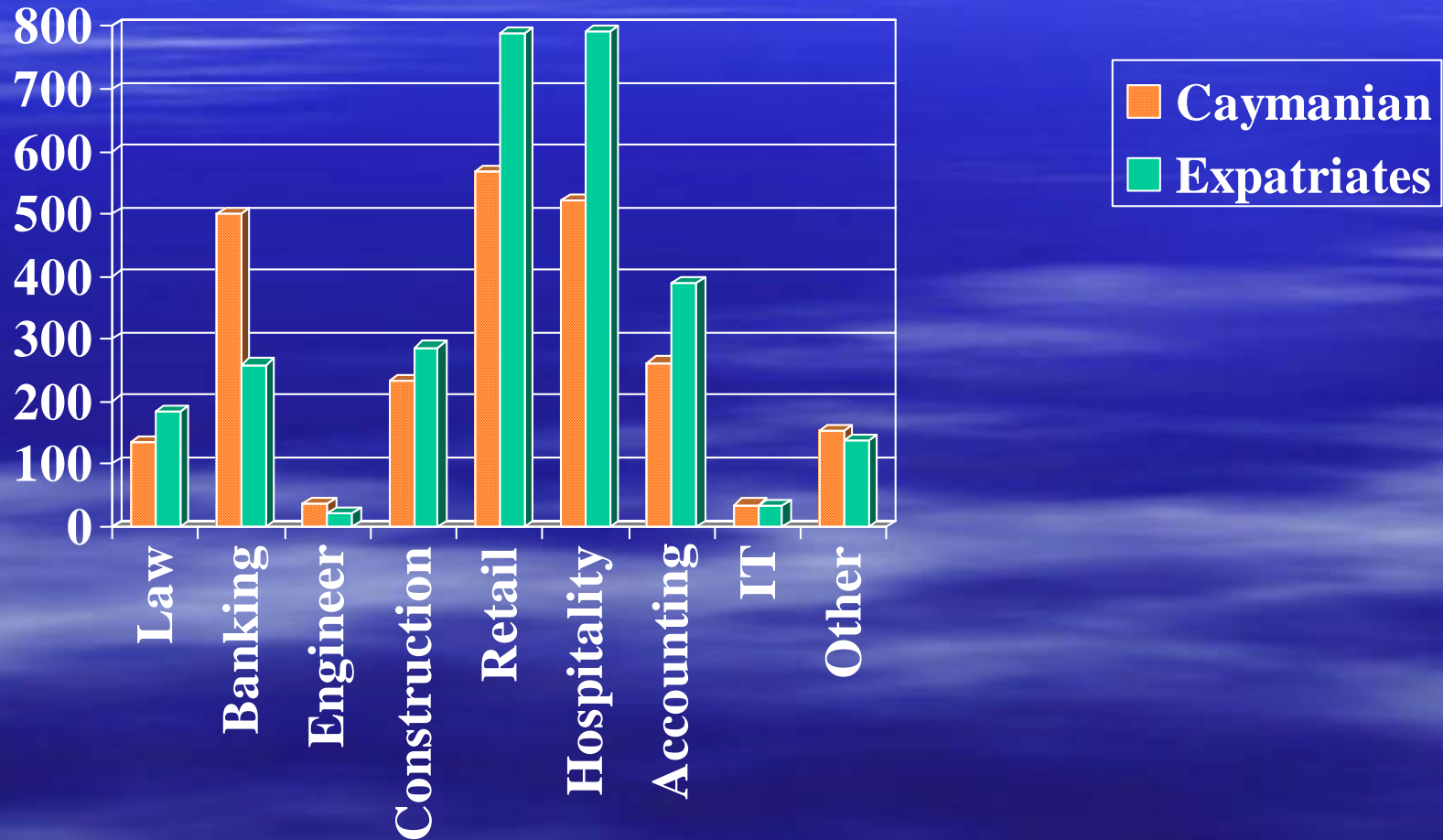
Research Methodology cont'd

- **Instruments**
 - Workforce Skills Assessment Survey questionnaire
- **Data Collection Plan- 3 stages**
 - Stage one
 - Train data-collection workers
 - Stage two
 - Test the questionnaire
 - Stage three
 - Collect data
- **Validity and Reliability**
 - To increase validity and reliability of the research, the researcher minimized sampling errors and non-sampling errors by proportionally selecting samples based on the distribution of the population.

Table 1: Distribution of the Number of Firms by Industry

Industry	Number of Firms
Law	5
Bank/financial companies	26
Architecture/surveying/engineering	6
Contractor/construction	45
Retail	83
Hospitality/tourism	39
Accounting/consulting	10
Computer/information technology	8
Other businesses	38
Total	260

Employment in all Industries Caymanians vs. Expatriates

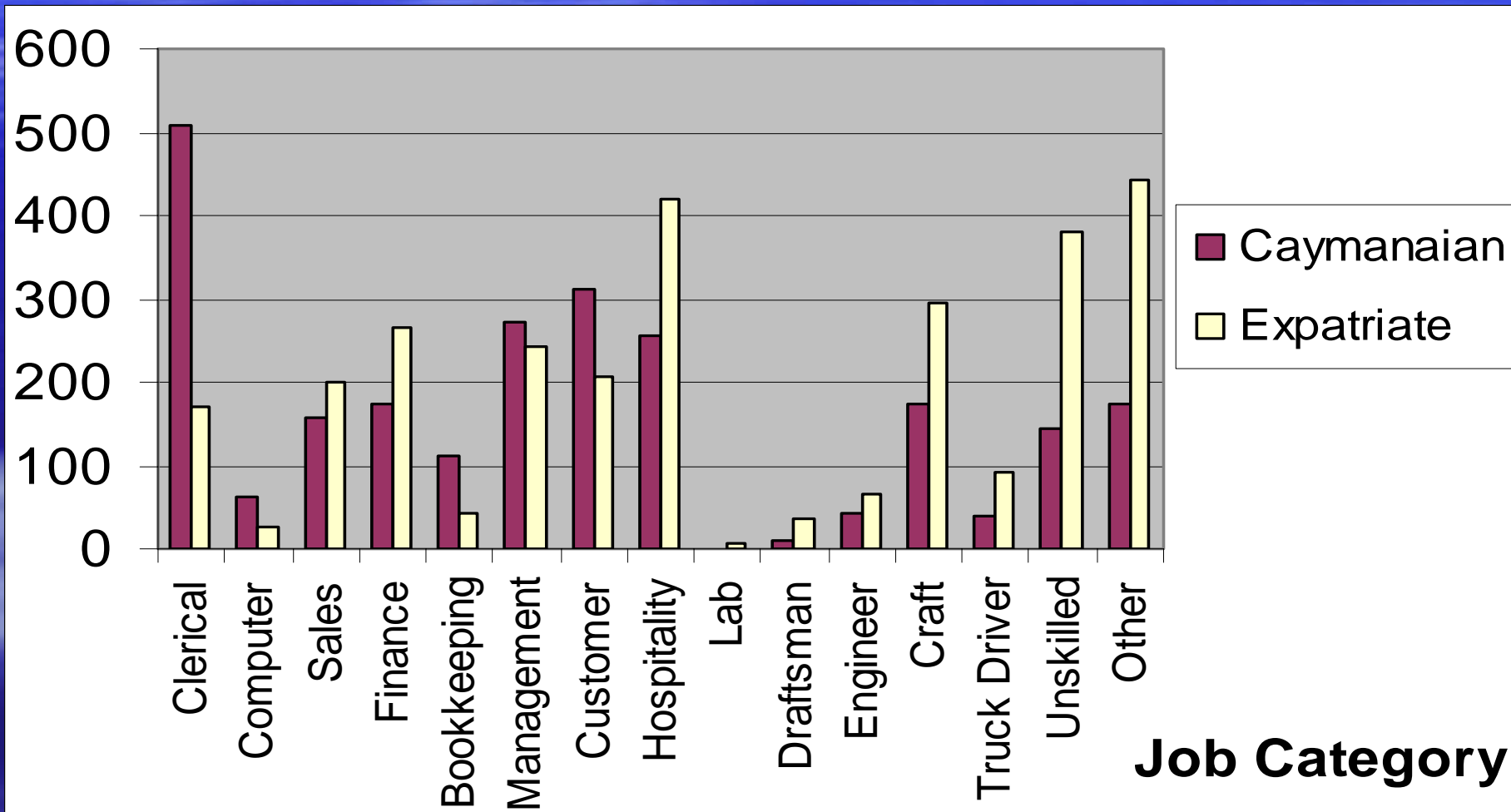


Main Areas of Employment- Caymanians

By Industry

- Caymanians occupy the majority of jobs in the fields of;
 - Banking/financial
 - Architecture/Surveyor/Engineering
 - Computer/IT
 - Other Business.

Number of Workers in each Job Category

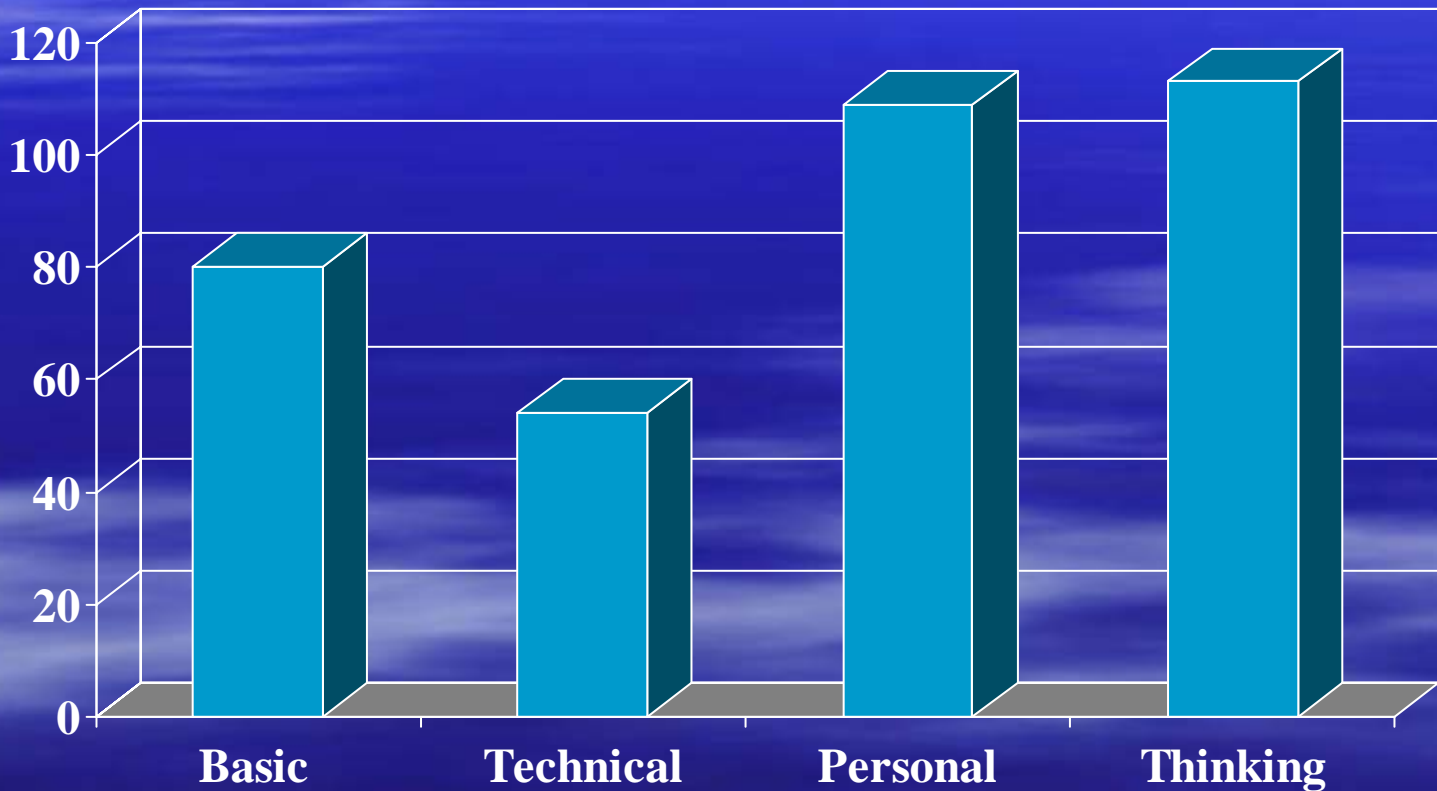


Skills that Require Improvement

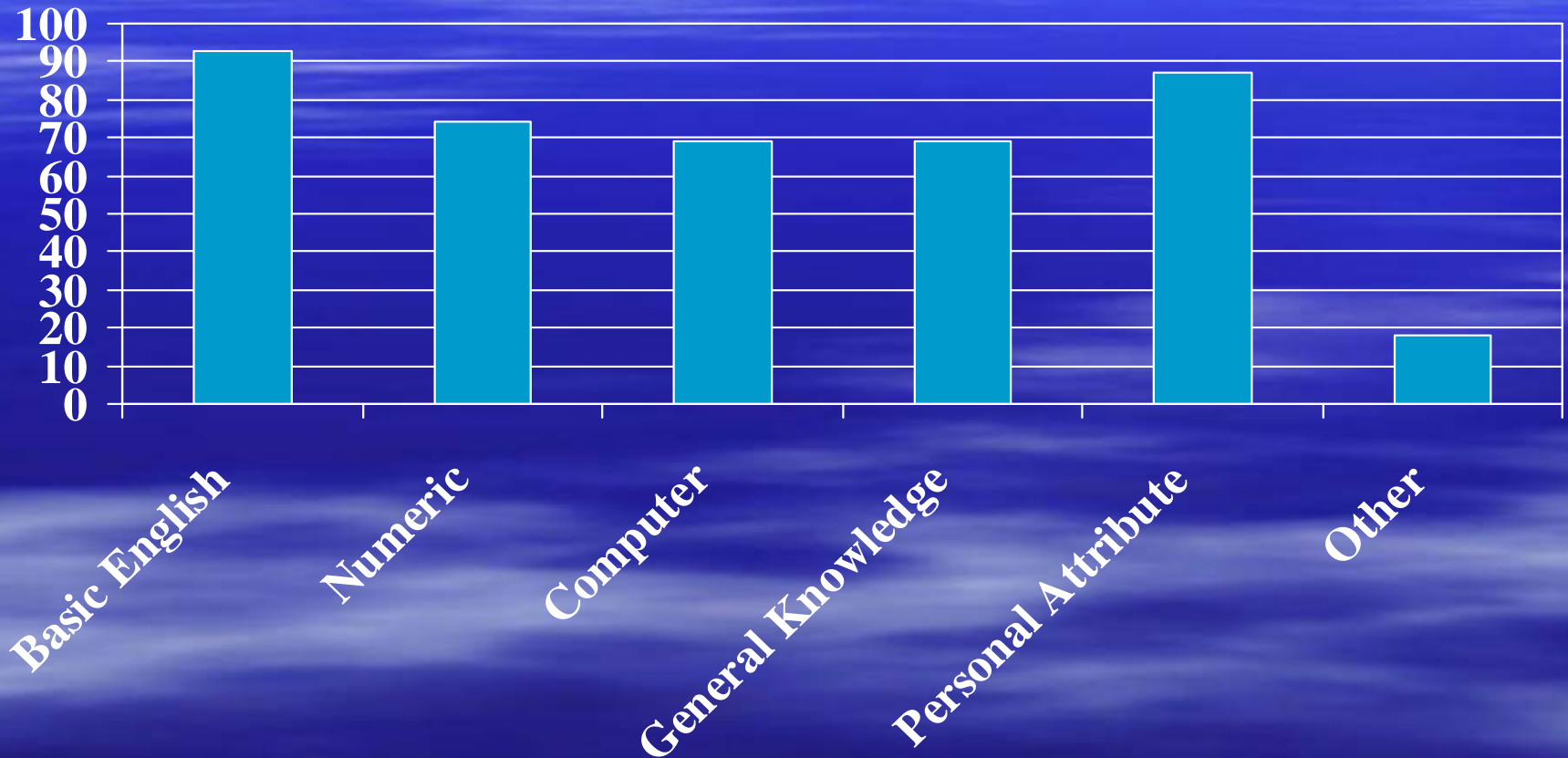
Employers indicate the need for skill improvement in the following areas;

- **Thinking skills**
- **Personal Skills**
- **Technical Skills**
- **Basic skills**

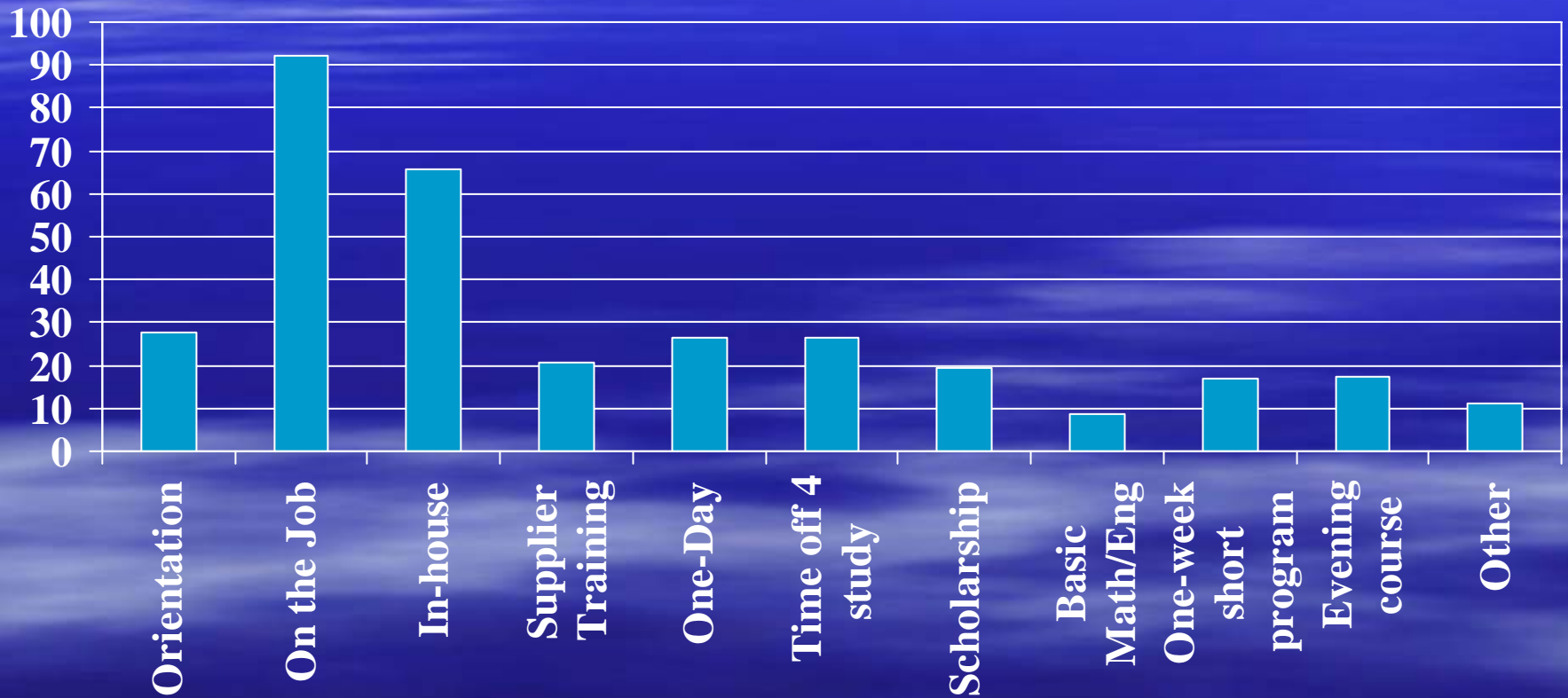
The Need for Improving all Skills



Important Skills for High School Graduates to Possess



Types of Training Offered by Employers



Key Problems Identified

- Employers feel they are not getting recruits with the right skills.
- We have particular skills gaps in:
 - Basic skills (including literacy, language, numeracy and computer skills) which provide the foundation for further learning.
- 41% of the workforce had intermediate skills (associate degree, apprenticeship, technician, or skilled craft or trade level)
- Only 20% of the employees sampled had bachelor degrees

Aim

- A highly educated workforce with a culture of lifelong learning is more likely to adapt to economic change.

Long Term Strategic Focus

- People are the key to sustaining a successful economy. We must put in place a framework that gives every young person a firm foundation of skills by the time they complete their initial education,
- Which also gives adults opportunities to develop their skills throughout their working lives.

Intervention Strategies

- National Training Board
- Investors in Peoples
- HS curriculum reform
 - Competency assessment and testing
 - TVET option track
 - Work Ethics
- More financial assistance for training
- PR/Marketing strategy promoting work ethics, skills enhancement and lifelong learning

High School Work Ethic Curriculum

- Social skills
- Work ethics
- National pride
- Lateness and Absenteeism
- Values of decency and honesty
- Orientation towards performance
- Pride in quality and job-well-done

Labour Market Research

- Cayman Islands Standard Occupation Classification
- 2nd Annual Occupational Wage Survey
- Productivity Studies
- Labour Market Information System (LMIS)
- Graduate Tracer Study



Technical Vocational Education & Training (TVET)

National initiative to help quickly equip persons with the skills and certification to seize opportunities in the new and ever changing economy.

Incorporates:

- On-the-Job Training (OJT) Programme
- National Skills Development Programme
- UCCI Certificate Programme
- NVQ's

WE
PROVIDE
OUR
SKILLS

EQUIPPING

PEOPLE to seize

OPPORTUNITIES

in the *NEW ECONOMY*

National Vocational Qualification (NVQ's)

- Develop a pool of skilled workers for the rapidly expanding technical occupations
- Provide access to training for individuals at the community level
- Provide the opportunity to acquire sustainable employment
- Certify experienced workers
- Enter / re-enter learning track

Recognition of Competencies

- Learning is no longer confined to the classroom
- Life-long learning is key
- NVQ's can be gained by people doing normal work and provide recognition for the skills and experience the have gained

A Conceptual Framework for CI National Vocational Qualifications

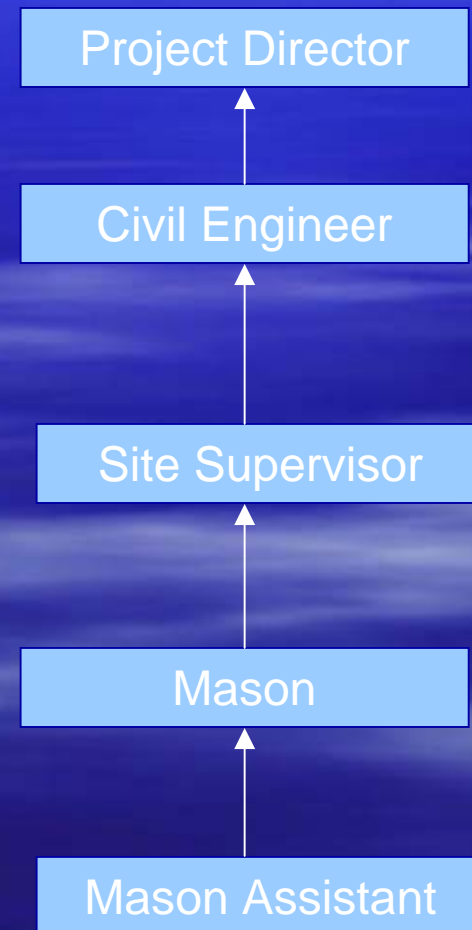
Level 5 - Chartered & Advanced Professional (e.g. **Chartered Engineers, Accountants**): Association of Chartered & Certified Accountants (ACCA), PE, CPA

Level 4 – Professional (e.g. **Degree**): UCCI, UK, US, University of the West Indies UWI,

Level 3 – Technician & Technologist (e.g. Air Conditioning & Refrigeration, Cosmetology, IT Mechanical Engineering Technician): Technical Institutes, eg. (UCCI)

Level 2 – Skilled (e.g. Electrical Installation Craft, Plumbing Craft, Food & Beverage): Post-16 Secondary

Level 1 – Semi-skilled (Entry Level): OJT, Retraining, Pre-16 Secondary, Apprenticeships



Conceptual Layout of TVET and NVQ's

Labour
Market
Surveys

Industry
Standards

Tertiary
Education

Training Providers
NVQ Level 3

CINVQ Level 2 (Post 16 yrs.)
[Full Apprenticeship Modality]

CINVQ Level 1 (Pre 16 yrs.)

Technology Education (12-14 yrs.)

Universal Primary & Secondary Education



Secondary School System

This occupational framework allows for:

- Life-long learning to take place
- A system of articulation to take place from one level to the next
- A viable career path to be established
- An increase in the number of trained certified practitioners
- Expanded opportunities to participate in education programmes

Transforming the Role of Government

Government

**Owner and
Provider of
Services**



**Coordinator, financier,
promoting competition,
enhancing the 'voice' of
the consumer, increasing
access, especially for
economically or otherwise
disadvantaged**

Strategic Alliances

Government

Private Sector

where their

Resources

Capabilities

Core
Competencies

are combined to pursue
mutual interests to

Develop

Deliver

Certify

National
Development

Over the longer term... global competition causes all of the artificially produced advantages of certain locations to disappear. What will remain are those advantages resulting from the human and professional qualifications of the work force

Source: Helmut Maucher

Creating A Competitive Caymanian Workforce

The Ideal Caymanian Worker

- Capable of seizing economic opportunities
- Demonstrates multiple literacy & critical thinking
- Can create and take advantage of opportunities
- Can contribute to the welfare of family and country

Every Caymanian worker whatever his/her occupation competes with his/her counterpart everywhere in the world. Therefore the Caymanian worker must be "world-class"